



FOR IMMEDIATE RELEASE

June 22, 2007

FACT SHEET

SANDERS ANNOUNCES SOLUTION TO KEEP WINTER SHELTER OPEN

*Funds From CCDC, United Way, Housing Commission and
Mayor's CDBG Allocation Will Preserve Shelter*

Mayor Jerry Sanders today announced that funds to keep the City's Homeless Emergency Shelter ("Winter Shelter") open during FY 2008 were located when the Centre City Development Corporation (CCDC), the Housing Commission and the United Way of San Diego County all stepped forward to fill the \$474,000 funding gap that remained following the recent Community Development Block Grant allocation process.

Mayor Sanders fully funded the Winter Shelter with \$675,000 in CDGB funds when he submitted his CDBG funding memo to the City Council in May. However, the Council chose to fund other social service programs with a majority of these funds, resulting in a \$474,000 funding shortfall for the operation of the Winter Shelter for the coming fiscal year.

To address this shortfall, CCDC has agreed to purchase the Housing Commission's first position loan made to the current owner of the Hotel Metro in the principle amount of \$344,200. The Housing Commission will contribute all of these loan proceeds to the operation of the Winter Shelter.

The remaining \$129,800 has been generously donated by the United Way of San Diego County, which has made putting an end to chronic homelessness one of their top priorities. It is their hope that helping to keep the shelter this year will give the community more time to find a long-term funding solution for the shelter.

Mayor Sanders praised the work of Third District City Councilmember Toni Atkins, one of the City Council's leading advocates on homeless issues, for her part in bringing CCDC and the Housing Commission together on this issue.

HOMELESS EMERGENCY SHELTER PROGRAM FUNDING

Mayor's CDBG FY08 Allocation:	\$201,000
CCDC/Housing Commission:	\$344,200
United Way of San Diego County:	<u>\$129,800</u>
Total Cost of Program:	\$675,000

FUTURE ACTIONS

The Housing Commission was directed by the City Council to bring back long-term solutions for the Homeless Emergency Shelter Program at their September 11, 2007 meeting.